IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

TUESDAY, THE TWENTY SIXTH DAY OF APRIL
TWO THOUSAND AND FIVE

PRESENT

THE HON'BLE MS JUSTICE G.ROHINI

WRIT PETITION NO : 9153 of 2005

Between:

1 Md. Khaleemullah, S/o. MOhd. Rahmatullah,
R/o. Plot No.56, Temple rock Enclave, Tarbund, Secunderabad.
2 V. Laxmipathi, S/o. V. Narayana,
R/o. EWFB-2, 58, MPH Colony, Parsigutta, Hyderabad.
3 T. Krishna Murthy, S/o. T. Narsaiah,
R/o. Qrt. No.55/1, BHEL Township, Ramachandrapuram, RR District.
4 V.R. Vijay Kumar, S/o. V. Pullappa,
R/o. Qrt. No.55/1, BHEL Township, Ramachandrapuram, RR District.
5 M.M. Kondaiah, S/o. M. Kondaiah,
R/o. H.No.13-1614/3, Flat No.F2, Gayatri Vihar, road No.1, Suryanagar, Safilguda, Secunderabad.
6 M. Anjaiah, S/o. M. Mallaiah,
R/o. 12-10-586/1/8, Indira Nagar Colony, Warasiguda, Secunderabad.
7 M. Bushanam, S/o. Adimuni,
R/o. B.-122, Moulali, Secunderabad.
8 P. Narsimha, S/o. Ramaiah,
R/o. Plot No.23, L.B. Nagar, Krupa Complex, Secunderabad.

... PETITIONERS

AND

1 Sri Jallapur Balram, S/o. Late Rajaiah J.
R/o. H.No.22-56/1,RK Nagar, Malkajgiri, Hyderabad.
2 Sri Dandu Ramesh, S/o. Dandu Narsing Rao,
r/o. H.No.26-68, Chanikpuri, Safilguda, Malkajgiri, Hyderabad.
3 The Branchd Manager, State Bank of India, Begum Bazar, Hyderabad.

.....RESPONDENTS

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court may be pleased to Issue a Writ or Order or direction, more particularly one in the nature of writ of

Mandamus, directing the 3rd respondent to ensure that the construction is completed and possession of the flats delivered to the petitioners in a specified time.

Counsel for the Petitioners: MR.P.SRINIVASA YADAV

Counsel for the Respondents:

The Court at the stage of admission made the following:

THE HON'BLE MS. JUSTICE G.ROHINI

WRIT PETITION NO.9153 OF 2005

ORDER :

The petitioners seek a Writ of Mandamus directing the third respondent Bank to ensure that the construction is completed and possession of the flats delivered to the petitioners in a specified time.

It is stated that the petitioners, who claim to be the employees of Railways and Road Transport Corporation and other Public Sector Undertakings, have availed loans from the third respondent Bank in the year 2003 for the purpose of construction of the houses. It is alleged that the middlemen attached to the third respondent Bank have taken signatures of the petitioners on blank papers and blank signed cheques and subsequently the amounts were released for the semi-finished flats. It is also alleged that the amount required for completion of the construction was released to the Builders (respondents 1 & 2) directly and till today the Builders have not completed the construction and the flats are not handed over to the petitioners.

The grievance of the petitioners is that even before the construction is completed and the possession is handed over to them by the builders, the third

respondent Bank is taking coercive steps, including criminal proceedings, against them for recovery of the amounts due. Hence, this writ petition.

I have heard the learned Counsel for the petitioners and the learned Standing Counsel appearing for the third respondent Bank.

Having regard to the averments made in the affidavit filed in support of the writ petition, it appears that the grievance of the petitioners is that the builders – respondents 1 & 2 failed to hand over the possession of the flats to the petitioners within the time agreed upon and in collusion with the respondents 1 & 2, the third respondent is taking coercive steps for recovery of the loan amount. On a perusal of the sanction orders issued by the third respondent Bank dated 16-08-2003, it is clear that the loan availed by the petitioners is repayable in installments commencing two months after completion of the construction or after 18 months from disbursement of first installment whichever is earlier or from February, 2004. In the light of the conditions relating to repayment of the loan, I do not see any justifiable reason to hold that the alleged steps initiated by the third respondent Bank for recovery of the amounts from the petitioners are arbitrary or illegal. At any rate, on the face of it, the issues raised for adjudication are essentially based on disputes between the parties pursuant to the agreements under which the petitioners were granted loans by the third respondent Bank. The petitioners having voluntarily entered into the loan agreements, are bound by the terms and conditions thereof. Even assuming that the action of the third respondent Bank is in violation of the terms and conditions agreed upon, the remedy of the petitioners lies elsewhere, but they cannot invoke the extraordinary jurisdiction of this Court under Article 226 of the Constitution of India for enforcement of contractual obligations. Hence, I am not inclined to entertain this writ petition. However, this shall not preclude the petitioners to seek redressal of their grievance by working out the appropriate remedy as available under law.

The Writ Petition is accordingly dismissed. No costs.

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26th April, 2005.

gbs

To

1. The Branchd Manager, State Bank of India, Begum Bazar, Hyderabad.

2. Two C.D. copies.